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SAXON-AMERICAN RELATIONS, 1778-1828

AMONG the European countries that watched the struggle for American independence with the keenest interest was far-away Saxony. Here, as among other peoples of the Continent, there was a sentimental interest in the outcome; but that was far from being the true cause of the Saxon's lively concern in the contest. The real reason was more direct and more material in character. It lay in the prospect of establishing profitable trade relations with the New World, hitherto closed by the monopoly exercised by the mother-country. Not possessed of a sea-coast it would at first thought seem as if Saxony could have only a very remote interest in a conflict several thousand miles across the seas. Quite the opposite was the case however. No other region of Germany had progressed further in industries and trade, and no other people was more thoroughly alive to the advantages of new markets. The great fairs of Leipzig were frequented by merchants from all parts; no other city on the Continent could rival it in the importance of its trade. It was in fact the distributing point for central Europe. "Most of the commerce between the east and the west of Europe passes through it", wrote Adams in a report to Washington in 1779.¹ Three decades later the secretary of the Chamber of Commerce of Lyons, who was deputed by Montalivet to make a special investigation of the trade conditions in Germany, reported to Napoleon: "The Leipzig Fair is the great market for northern Europe, especially for manufactured articles". He pointed out further, that most of the manufactures of France found a ready sale there; that merchants from every part of Germany, from France, Italy, Austria, Poland, Russia, Turkey, and the Danubian provinces, and even from Asia, consorted there; that in former times the English were strongly represented; that the volume of trade was very large, and the business spirit of the people keen and venturesome.²

It was natural therefore that after the overthrow of the English monopoly of trade with the American colonies, the prospect of new

¹ Adams to Washington, August 4, 1779. Wharton, *Diplomatic Correspondence*, III. 285. William Carmichael writing from Berlin, September 29, 1782, says, "The ministers of Prussia and Saxony seem much disposed to induce their courts to open a direct commerce with America, particularly if the war continues." *Ibid.*, V. 785.

² Archives Nationales, series AF., IV. 1061. Report of M. Mottes, submitted to the emperor on November 19, 1810.

markets should have aroused the greatest interest in this highly developed business community. Extravagant expectations prevailed as to the opportunities for Saxon trade, opportunities which seemed the more assured because, even before the definitive peace was signed, a heavy demand for Saxon products for America made itself felt at the Leipzig mart.³ Besides, had not England prospered so greatly, largely because of her colonial trade? And now that her monopoly had been overthrown, and the Americans were hostile to her, what more natural than the belief that the Continent of Europe would take the place formerly occupied by England in the trade with America? It happened too that in all negotiations between the United States and Europe for at least three decades after 1778, the

³ "The fairs of Leipzig have drawn considerable advantage for four years from our trade. This power will see with pleasure the moment which shall put the last hand to our independence." Adams to Washington, Wharton, III. 284.

Compare also the following from the reports of the Leipzig marts: "Von den Hamburgern sind vorzüglich ordinaire Tüche, Chemizer, baumwollene Waaren und andere nach Nord-Amerika brauchbare Artikel aufgekauft worden. Ueberhaupt hat der in jenem Welttheil sich neuerlich eröffnete freye Handel zum glücklichen Erfolg der diesmaligen Messe nicht wenig beygetragen, da ausser den Hamburgern auch die Holländer und mehrere nach Amerika speculirende Handelsleute von verschiedenen Orten grosse Parthien Waaren erhandelt haben. Aus hiesigen Landen ist der Hof-Commissaris Mühlberger nach Hamburg abgegangen um sich da selbst mit einer ansehnlichen Pacotille, die seinem Vorgeben nach, grössten theils in hier zu Lande gefertigten Kleidungs Stücken als Tuch, Kleidern, Hemden, Stiefeln, Schuhen bestehet, nach Nord-Amerika einzuschiffen. Ueber dies sind von einigen Leipziger, Zittauer und andern inländischen Kaufleuten, theils einzeln, theils in verschiedenen Kleinen Societäten unmittelbare Waarenversendungen nach Boston und Philadelphia gemacht worden, und ferner zu erwarten. Gleichwohl ist die Errichtung einer Actiencompagnie zum directen Handel nach Nord-Amerika, worauf vor Kurzem angetragen worden war, noch ausgesetzt geblieben, und es hat die Handelschaft zuvörderst ihr Gesuch erneuert, dass Ihre Churfürstl. Durchl. gefällig sein möge eine mit hinlänglichen Handels Kenntnissen versehene Person nach Nord-Amerika zu senden durch welche sichere Erkundigung von allen Theilen der dasigen Handlung zum Unterricht der hiesigen Kaufmannschaft eingezogen und das diesseitige Handels-Interesse überhaupt in jenen Gegenden nachdringlich befördert werden könne—welchen Gesuch man dem Etranger Département des Churfürstl. Geheimen Cabinets in Verfolg der von daher in Sache vorhin erhaltenen Veranlassungen unvorzüglich communicirt hat. Während dass jetzt . . . in Deutschland von allen Seiten auf Nord-Amerika speculirt wird, fällt dagegen allmählig nach Endigung des Seekrieges, die bisher von Dännemark nach West Indien getriebene ansehnliche Handlung." Königlich-sächsisches Hauptstaatsarchiv, Dresden, Loc. 2235, Acta, Mess-Relationes, vol. III., f. 366, Easter mart, 1783. For fuller statement concerning the Mess-Relationes see p. 530, note 37.

The following from the foremost Leipzig newspaper is also indicative of the prevailing interest. "London den 15 April. Sobald als der Handelstractat mit den Amerikaner geschlossen ist, gehen viele Personen nach Amerika. Ein gewisser reicher Mann steht bereit mit Dr. Franklin in Unterhandlung um dem Congrez 20,000 Morgen Landes abzukaufen. Achtzig Familien haben ihm ihr Wort gegeben, dort hin zu ziehen und selbige aufzubauen." *Leipziger Zeitung*, April 26, 1783.

commercial interests dominated. In many cases treaties, largely of a commercial nature, were made, as for example by Sweden in 1783, and by Prussia in 1785, while negotiations for similar agreements were carried on by the Netherlands, Austria, Denmark, Portugal, Tuscany, and even Morocco.⁴

That Saxony was not behind in urging her claims in this matter through diplomatic channels is attested by a voluminous correspondence on the subject by her ambassador, Schonfeld, in Paris, by frequent letters and despatches by her ministers at other courts, notably at Madrid and Berlin,⁵ and by a very careful investigation of the matter by the Foreign Department of the government. Schönfeld's efforts to bring Franklin and later the other commissioners, Adams and Jefferson, to enter into an agreement proved fruitless. Indeed the American representatives at Paris seem not to have taken the question as seriously as they might, for they scarcely refer to it in their correspondence. Nothing daunted, however, Saxony's industrial and commercial classes, which were of course vitally interested, continued to conduct an active campaign outside of the regular channels of diplomacy. The government was finally persuaded to send a special agent to America; lists of the manufactures of Saxony were advertised in the American papers through houses recommended by Franklin; a joint-stock company for trade with America was organized; large private trade ventures were made by her citizens, accustomed through the great Leipzig marts to business on a large scale; and finally during the activities of the "*Elb-Amerikanische Compagnie*", the first Saxon commercial agents or consuls were, in 1826, accredited to the chief seaports of the United States.

The story of these vigorous and determined, though on the whole unsuccessful, efforts, has a threefold interest. In the first place, it reflects not only the general attitude of Europeans toward this country, but also the personal impressions of at least one shrewd observer who visited the chief cities and men of America immediately after the Revolution. In the second place, it reveals with remarkable clearness the direct and practical influence of the Revolutionary and

⁴ For a discussion of these negotiations see the recent article by E. C. Burnett, "American Commercial Negotiations, 1776-1786", *AMERICAN HISTORICAL REVIEW*, April, 1911, XVI. 584 ff.

⁵ Cf. note presented by the Foreign Department to the king on May 3, 1783. "Nachdem die Anerkennung der englischen Colonien in Nord-Amerika als unabhängiger Staat, wie in andern Ländern, so auch im chursächsischen Aussichten zu neuer Handels Verbindungen eröffnet hat, so sind die deshalb im Voraus eingezogene, und besonders von der diesseitigen Gesandtschaft in Madrid eingegangenen . . . Nachrichten und Vorschläge . . . abgegeben." Kgl. Sächs. H. S. A., Loc. 2420, "Acta, Die Eröffnung eines unmittelbaren Handels nach Nord Amerika, und Errichtung einer diesfalsigen Handlungs Societät betrff. Ao. 1783."

Napoleonic wars on the commerce and industry of Europe. And finally, it affords striking illustrations of conditions in Saxony itself during the critical period when the results of the English industrial revolution were crowding her industries to the wall. Apart from the prospect of large profits, which were confidently expected from the American trade, the necessities of the industrial situation in the later period drove the Saxon to seize upon the most unpromising means of keeping off the economic ruin which stared him in the face.

As early as September 21, 1778, Schönfeld, the Saxon ambassador at Paris, writes to his government in some detail on the French-American commerce and on the possibilities of providing a market for Saxon wares by a policy similar to that pursued by France. He enumerates the various articles the French had sent over to America, on which the profits frequently amounted to twenty per cent. and never to less than ten.⁶ A plan for developing a trade route between Saxony and America across France was laid before the government in a memorial addressed to the cabinet on November 11 of the same year, and four years later Schönfeld was actually instructed to sound the French government on the establishment of a Saxon consulate at Nantes for the Saxon-American trade.⁷ In the meantime, also, the Saxon merchants were invited in a more direct way to trade with America by William Lee during his mission as special commissioner to the courts of Prussia and Austria. He visited Leipzig and represented the opportunities and advantages of trade with the American colonies. Lists and samples of Saxon manufactures were given him, and much was expected in Leipzig from his efforts. Later, Schönfeld at Paris took the question up with Franklin, reporting to his government in a cipher letter of August 8, 1782, in which he says:

M. Franklin, who for some time has been much better received by the members of the diplomatic corps because they realize that America will sooner or later become independent and be recognized by all sovereigns, has given me repeated assurances, that in the light of the representations which I have made to him since his arrival in Paris, and the confirmation of these by his fellow countrymen coming from Leipzig, on the subject of the extension of the commerce between Saxony and America,

⁶ Kgl. Sächs. H. S. A., Loc. 2610, "Acta, Den Nord Amerikanischen Handel betrf., vol. I., f. 5. Le désir de servir les Américains contre leurs ennemis a été le premier mobile des expéditions qui ont été faites, et elles ne consistaient d'abord qu'en matières propres au soutien de la guerre. C'est dans ces premiers voyages qu'on a appris à connoître que ce pays étoit dénué de tout qui tient au nécessaire et commode, surtout des matières que la mère patrie lui avait fournies avant la dissension. Les articles de manufactures, branche essentielle du commerce d'Angleterre, méritent d'être nommés les premiers", etc.

⁷ *Ibid.*, ff. 3 and 15.

he would do his utmost to establish with Saxony in particular a bond of mutual advantage, and that after the conclusion of the peace he would be pleased to discuss the points relating to the negotiations.⁸

In its reply, the Saxon government instructed its ambassador to miss no opportunity to further the project, adding: "In awaiting the outcome you will endeavor to obtain from Mr. Franklin in a confidential memoir the information needed to guide us in the future negotiations".⁹ This Schönfeld found a trifle difficult. Two weeks later he wrote that, since he was confined to his room through illness, and since Franklin lived in Passy, he would be unable to talk with him about the proposed treaty before their fixed interview at Versailles on the fifteenth of November. Besides, Franklin had assured him in their last interview that the maritime commerce of the United States would be free, and that when peace was once established, he would not fail to have conferences with him on the subject of reciprocal commerce.¹⁰

Early in 1783 he reported that Franklin had asked for a list of Saxon manufactures.¹¹ This the government promised to send as soon as it could be procured, adding however that a certain Mr. Lee had already obtained such a list in passing through Leipzig in 1779, and expressing its surprise that Mr. Franklin should be so tardy in entering into definite negotiations.¹² Apparently Franklin saw no reason for haste. He was, moreover, as Schönfeld himself states in reporting the news of the American treaties with Prussia and Sweden, too busy with the definitive treaty of peace to take up the question of the relations with Saxony. During an interview with Franklin a few weeks later Schönfeld presented the list of Saxon manufactures and obtained in return the names of two American houses, one in Philadelphia, the other in Boston, which Franklin particularly recommended as "les deux maisons les plus solides", with whom the Saxon merchants might deal without risk of loss.¹³

⁸ *Ibid.*, Loc. 2748, "Acta, Des Kammerherrn von Schönfelds Abschickungen an den Königl. französischen Hof und dessen daselbst geführte Negotiation betrff." Convol. XXVII., f. 227.

⁹ *Ibid.*, f. 245. Letter from Dresden, September 4, 1782.

¹⁰ *Ibid.*, f. 269. Letter from Paris, September 19, 1782.

¹¹ *Ibid.*, Convol. XXVIII., f. 63. Letter from Paris, February 6, 1783.

¹² Kgl. Sächs. H. S. A., Loc. 2610, vol. I. f. 89.

¹³ *Ibid.*, f. 122. Despatch from Paris, March 28, 1783. The names of these two houses were written by Franklin on an ordinary piece of paper about four by six inches in size, which is bound up in the volume as folio 124. They were Mr. Richard Bache, Philadelphia, and Mr. Williams, Boston. The former saw to it that a list of Saxon manufactures was advertised; *e. g.*, *The Pennsylvania Journal and the Weekly Advertiser*, Wednesday, October 1, 1783: "To the Public. The subscribers have lately received, and have now in their possession, a List of

No further progress was made for another month. In April, Schönfeld writes about the Swedish treaty and of a conversation with the Swedish minister, from whom he learned that the proper form to be used in addressing the United States was the same as that used towards Holland, namely, "*Très Chers et Grands Amis Alliés et Confédérés*".¹⁴ A treaty with Denmark was also being negotiated, and from Baron de Bloque he learned that young Franklin, the grandson of the minister, would doubtless be sent as minister to Copenhagen. In the meantime, Schönfeld and his government got the idea that Franklin was holding back because Saxony was a competitor of France industrially, and that a treaty between the United States and Saxony might be displeasing to the French. Franklin's favorable attitude at first, says the Minister of Foreign Affairs, did not lead him to expect "that he would actually avoid the matter now by refusing to discuss seriously the means of developing the reciprocal commerce of the two countries, and of assuring to that of Saxony a certain preference". The ambassador was urged to spare no pains in discovering the real reasons of Franklin's reticence.¹⁵ In this he was unsuccessful, though the cordial treatment received from Franklin, by whom he was invited to breakfast in Passy, dispelled all fears as to personal difficulties. As to the supposed difficulty about the informal character of the visiting card he had used in calling on Franklin, he says that Franklin "*est d'ailleurs ennemi juré du cérémonial, et ne reçoit ni rend des visites d'étiquette*".¹⁶ At the same time he complains of the difficulty of his task. The maritime powers, he adds, possess a distinct advantage in that they can make definite proposals instead of "*ouvertures vagues et générales*". Early in June he writes that the Portuguese

the Manufactures and Products of the Mines of the Electorate of Saxony; also pattern Cards, with the Price of each particular Article, which may be seen at their Store in Chestnut-street, near Front-street, being sent over for the Information of the Public in general.

"There is also affixed to the above List, the Names of the Tradesmen and Directors of Manufactures in the principal Towns in Saxony; likewise a Price Current of the Linen, Woollen and Cotton Goods fabricated in the Prussian Dominions. Bache and Shee." Cf. also, letter of November 1, 1783, from Messrs. Bache and Shee of Philadelphia to M. Franklin le fils, Kgl. Sächs. H. S. A., Loc. 2610, vol. II., f. 2.

¹⁴ Kgl. Sächs. H. S. A., Loc. 2748. Letter of April 18, 1783.

¹⁵ *Ibid.*, f. 109. Instructions to Schönfeld from the Foreign Office, dated April 27, 1783. Another part of the letter says that in view of the possibility of the ambassador having piqued Franklin through a lack of proper formality in his visiting cards, he is advised to have his official character as minister placed on the cards he uses in calling on the American representative.

¹⁶ *Ibid.*, f. 124. Letter from Paris, May 9, 1783.

ambassador had received instructions to negotiate a treaty with Franklin.¹⁷

About the middle of the month the form of the negotiations changed somewhat. On the 19th, Schönfeld sent home an account of his dealings with Franklin and other Americans, namely, Adams and Jay, then in Paris.¹⁸ A month later in speaking of introducing Thieriot, of whose appointment as commercial agent to the United States by the Saxon government more will be said later, he tells how Franklin received them with much cordiality, but declined to commit himself beyond merely recommending the newly appointed agent. All his efforts to obtain more were fruitless, for Franklin would in no wise transcend his powers, or assume those of Congress, particularly since it might hurt him personally, for, says Schönfeld, "I know through Mr. Adams, the minister of the United States at the Hague and at the same time accredited here on the matter of the definitive treaty", that "M. Franklin n'a plus auprès du Congrès l'ancienne influence, dont il jouissoit, et que la meilleure partie, qu'il ait à prendre, est de finir ses jours en France, où il est réellement chéri et vénéré".¹⁹

From this time forward the question of a treaty seems to have been allowed to rest, pending the investigations and results of Thieriot's mission to America. Schönfeld's correspondence is, with one or two minor exceptions, silent on the subject, save when he transmits information or letters and reports from Thieriot. These began to arrive in the early summer of 1784. They were so unfavorable that the Commerz-Deputation, to which they were submitted for consideration in connection with a memorial that body was preparing on Saxon relations with America, showed much less enthusiasm for the establishment of a commercial treaty with the United States than before.²⁰ At the same time they added that since a commercial agreement with the United States might be of value in the future, when material conditions in America had improved, and since other nations might obtain favored treatment from which

¹⁷ *Ibid.*, f. 136. Letter from Paris, June 6, 1783. During all these months Carmichael's activity in Madrid appears in the despatches of Count Gorsdorff to Dresden. Cf. Kgl. Sächs. H. S. A., Loc. 2610, f. 215 *et passim*.

¹⁸ *Ibid.*, Loc. 2748, f. 145. Letter from Paris, June 19, 1783.

¹⁹ *Ibid.*, f. 199. Letter from Paris, July 28, 1783. On the relations of Franklin and Adams. cf. Wharton, *Diplomatic Correspondence*, I. 498-499.

²⁰ Kgl. Sächs. H. S. A., Loc. 2420, f. 51 *et passim*. For the character and the activities of the Commerz-Deputation, see p. 530, note 37. The memorial declares that in Philip Thieriot's report "ist die Beschaffenheit der dortigen Commerce so beschrieben, dass überhaupt genommen aus einem unmittelbaren Handels-Verkehr für hiesige Lande kein wahrscheinlicher Vortheil zu hoffen, sondern vielmehr Verlust oder wenigstens Gefahr zu besorgen seyn dürfte".

Saxony would otherwise be excluded, negotiations for a treaty should be taken up along the line of reciprocal advantages suggested in an appended report. This they held to be all the more necessary because the American plenipotentiaries, Adams, Franklin, and Jefferson, entrusted with full powers to negotiate treaties with the different European states, had formally notified the Saxon ambassador at Paris of their mission and of their willingness to open negotiations as soon as some one endowed with the proper qualifications by the Saxon government should appear.²¹

From a note of the Foreign Department of December 8, 1784, it appears that the elector submitted the question to his cabinet with the request to report on the extent and manner of procedure. The cabinet again referred the matter to the Commerce Commission which reported in November. The recommendations followed a middle course. After the general argument a number of definite objections to the project were raised. First, there was the glutted state of the American market as described by Thieriot, second, the scarcity of specie in America, third, the demand for extended credit, fourth, the lack of capital in Saxony to make this feasible, and fifth, the competition of English manufactures.²² Besides, the United States had on different occasions made known her determination to extend the same privileges to all alike, and to make no distinction in her treatment of the countries trading with her. Nevertheless, since no harm could come from a treaty, the report suggested that the American commissioners be approached on the subject of a treaty based on specific points, which they enumerated under six heads. To these recommendations the cabinet gave its support, suggesting that the ambassador in Paris be ordered to take the necessary steps.²³ But nothing came of these recommendations and the matter seems to have been dropped. In the meantime, Thieriot's mission to America, partly diplomatic and partly commercial, must command our attention.

The reason for sending a special commissioner to represent Saxon interests in the United States is evident from what has been said above. The steps immediately leading up to the appointment appear in a letter from Gorsdorff, the Saxon minister in Spain, to Mr. Carmichael. Gorsdorff writes:

²¹ Kgl. Sächs. H. S. A., Loc. 2610, vol. II., f. 88.

²² *Ibid.*, Loc. 2420, f. 59. For the same reasons, says the memorial, the Saxon merchants have quite given up the idea of a trading company to North America.

²³ *Ibid.*, ff. 51 and 64. Notes of February 5 and 19, 1785.

Sir: I have just received instructions which contain the result of what has been for a long time the subject of our conversations. The trading interest of Saxony has seized with avidity the overtures and details which after our interviews I placed under the eyes of the ministry. Persuaded that the goodness and cheapness of our commodities will give them an advantage in such an enterprise, they have adopted the plan which you have indicated, of sending to America a person who shall look after their interests, and obtain the knowledge indispensable for their direction.²⁴ Their choice has fallen upon a merchant of Bordeaux, a native of Leipzig, whose name is Philip Thieriot, known as a man of probity, intelligence, and good conduct, who is now in Saxony, but will soon establish himself in Philadelphia, to transact business in the character of a merchant, both on his own account and that of others.

The elector has assented to this choice, and permits that for the present M. Thieriot shall hold in America the functions of commissary-general of the commerce of Saxony, with the view of founding mercantile relations between the two countries, and that he may receive the commissions of Saxon merchants, direct their enterprises, and guard and support their interests, both in relation to Congress, and other respects, till circumstances shall make it proper for him to be supplied with more particular directions. For this purpose the oath has been administered to him, and he has been furnished with suitable instructions, and the power of making appointments. He sets off immediately for France, where he has certain affairs to arrange, and he will then be ready to embark from Bordeaux in the month of August.²⁵

For some reason Thieriot failed to get away in August, apparently not leaving Bordeaux till September 25. This proved a serious delay. His little vessel was caught in the early storms of that season, and after forty days, the ship having sprung a leak, he was picked up with his crew by a fishing boat from Boston. They had worked the pumps steadily for fifteen days and fifteen nights, and "more than once", he writes, "we saw ourselves on the point of

²⁴ In a letter to Livingston, Carmichael tells of his suggestions, as follows: "On his pressing me, however, to give him my sentiments on the best means to forward an intercourse between the two countries, I replied verbally that in my opinion the speediest and most effectual method would be to send from Saxony to America a person well acquainted with the commerce of his own country and properly authorised, who, being able to judge on the spot what advantages were to be derived from such intercourse, might immediately treat with Congress if the Elector thought proper." Wharton, VI. 616.

²⁵ *Ibid.*, p. 609. Cf. also Kgl. Sächs. H. S. A., Loc. 2420, f. 3, and Loc. 2610, vol. I., f. 181. Here the facts from the standpoint of the Saxon government are given. In view of the report of the Commerz-Deputation and the investigations of the government, His Majesty is willing to pay the expenses of an agent to America, but he does not regard with favor the suggestion to buy shares in a trading company. Cf. plan for a joint-stock company for direct trade with America, submitted, March 28, 1783, Loc. 2610, vol. I., f. 147. The selection of the agent was left to the Foreign Department and from an entry on June 24, we find that the Kauf- und Handelsmann, Philip Thieriot, has been chosen at a salary of 1500 Thaler a year. Thieriot's instructions as "Commissionaire du Commerce de Saxe" are very minute, occupying 16 pages.

being swallowed up". On October 24 he was landed at Pointe-à-Pitre, Guadeloupe; thence he got to Santo Domingo, whence he sailed for Philadelphia on January 27. Again storms and rough weather overtook him and he was fifty-two days making the passage, arriving at Philadelphia on March 18. Nor was the weather in America much more hospitable. "In the memory of man", he writes, "there has not been so severe a winter." The Delaware continued frozen till the middle of March.²⁶

After presenting his credentials to Morris and Hillegas, he began to look about for indications pointing to the successful carrying out of his mission. In this he was keenly disappointed. Writing to his government on April 12 he says:

My short sojourn here has revealed to me nothing whatsoever calculated to inspire the hope of success for the mission entrusted to me. . . . I am chagrined to see that conditions are so bad that my duty obliges me to declare to your Excellency that there is very little prospect of realizing those lofty ideals of public welfare which your Highness believed might result from a closer union between Saxony and the United States.²⁷

To support his conclusions he submitted a long report which pictured the well-known disordered state of affairs in America during the years immediately following the close of the war with Great Britain.²⁸ Prices of staple commodities, he said, were excessively high, which was the more striking to him because in Europe the belief was general that in the United States there was an abundance of all the necessities of life, such as grain, flour, beef, wood, etc. A cord of wood which ordinarily sold for \$4 then cost \$20, flour was selling at \$11 to \$12 a barrel, and rents were very high. The causes he found partly in the severity of the winter but more particularly in the extreme scarcity of manual labor. Not only had the loss of life in the war been considerable, but at its conclusion, lands were given by Congress to the soldiers, and this, together with other advantages held out to the pioneer to settle inland, denuded the seaboard cities of laborers. Hence also the excessive wages paid to those who remained.²⁹ Again the United States had not as yet

²⁶ Kgl. Sächs. H. S. A., Loc. 2610, vol. II., f. 18. Thieriot's letter from Philadelphia, March 23, 1784.

²⁷ *Ibid.*, f. 23.

²⁸ *Ibid.*, ff. 26ff. This was the first of Thieriot's reports and bears the date of April 12, 1784. Others of equal length and interest followed on April 26, May 30, November 13, 1784, and January 14, 1785, besides short letters at different intervals. In these many features of American life of the period are discussed with unusual intelligence and insight.

²⁹ His astonishment at the payment of a dollar a day for ordinary work is a suggestive commentary on the low rate of wages in Saxony. "La journée du

begun to coin money, and great confusion prevailed as a result. Foreign money was in circulation everywhere, the Spanish piastre, called dollar in Philadelphia, being most in use. He gave the values of different coins in use, saying that in writing, pounds and shillings were used, but that in actual circulation they did not exist, being "monoye imaginaire". Further, each of the thirteen states had a different way of counting or estimating the value both of moneys and weights.

The American, he declared, was frugal in his habits—"n'est point adonné au luxe dans les habillements ni dans les ameublements, sa table est frugale et tout se ressent de son oeconomie". As a consequence articles of luxury were not in demand and could not find a profitable market. Yet this is just what Europe failed to appreciate. No sooner was the war ended than there arrived in all the seaports so many ships from the different countries of Europe bringing an amount of merchandise so prodigious that the market of the richest country would have been glutted. The supply far exceeded the demand. Goods were sold at great loss, lay there till they spoiled, or remained unsold. Europeans instead of considering the taste and actual needs of Americans consulted only the interests of their own particular commerce. Many brought over inferior goods which served to discredit the manufactures of their nation. In view of the American's great need, anything was believed to be good enough for him. Large profits were confidently, even eagerly, expected; and instead, enormous losses—"des pertes immenses"—were incurred.³⁰ To the reasons for this already cited must be added the failure of Europeans to appreciate not only the real needs of the American market, but also the American method of doing business.³¹ In this the English had been much wiser than Continental traders. Having supplied the colonies before the war, they understood the conditions, and now asked only to re-establish business relationships on the old basis. Hence, although their commerce would never be as large as it had been, yet because of the enterprising character of the English merchant, because of his wealth,

plus misérable manoeuvre est d'un Dollar. C'est cette excessive cherté de la main d'oeuvre qui influe sur un infinité de détails." *Ibid.*, f. 27.

³⁰ *Ibid.*, f. 30.

³¹ The many ports of entry and the great distances separating them form another obstacle. "Si les opérations avec l'Amérique étoient renfermées dans le meme pays et dans quelques ports de mer seulement, alors le négociant pourroit donner à son entreprise une certaine combinaison, mais quelle combinaison l'homme le plus éclairé peut il faire à present. Il assortira son expédition dans les articles qui peuvent etre bons et de convenance, mais peut il savoir ce qui se passe dans vingt autres ports de mer, où l'on peut avoir les memes idées que lui." *Ibid.*, f. 30.

which enabled him to grant extended credit,³² and because of the adaptation of his goods, he would secure "une certaine prépondérance sur les autres concurrents".

Nevertheless he considered the possibilities of trade with the United States by other countries, if conducted on a conservative basis, as very good. Enlightened by their recent losses, he thought European merchants would no longer enter upon ventures "in which the imagination, excited by the expectation of large profits, played the greatest part". Moderate profits were possible and practically assured, he thought, but the whole trade should be regarded exactly as trade in Europe. The transportation involved maritime risks that European trade did not have to contend with, but this could be covered by an insurance of from 3 to 5 per cent. according to the season.

After these general comments on the prospects of trade with America, he took up the situation as it affected various articles of Saxon manufacture in detail. Many of these articles, he reported, were well known in Philadelphia, the principal commercial city of the United States, the firm of Wynkoop and Siemen having made imports of Saxon manufactures to the amount of £30,000. Linen and cotton goods were in demand and in these lines Saxon manufactures could readily compete with those of other countries. The same was true of Saxon watches, laces, and cotton stockings. Saxon woolen articles on the other hand could not compete with the English, except the woolen cloth of Saxony which he thought might take well. Further, "les mi soyes, les dentelles blondes, les galons faux ne trouvèrent pas de débit à Philadelphia".

The great difficulty, however, seemed to him to lie in the exorbitant credit, extending from twelve to eighteen months, asked by American business houses, whose soundness could not be guaranteed. It did not seem to him probable that the Saxon merchant would agree to this. Indeed it would be well-nigh impossible for the individual merchants and manufacturers to do so, even if the great distance from Europe, the lack of centralization in American trade and the keen competition from Hamburg, Bremen, and Amsterdam, did not impose other burdens too great for him to carry successfully.

Nor did he regard the idea of overcoming these by corporate effort with favor. The project of securing large profits from trade with America by the organization of a trading company was alluring

³² "Le moindre terme que le negotiant Anglois accordoit à l'Americain etoit de douze mois." Kgl. Sächs. H. S. A., Loc. 2610, vol. II., f. 29. Cf. also *Evidence before the House of Commons, on the Petitions of London and Manchester Merchants, regarding the Orders in Council* (London, 1808), p. 2 et passim.

but under existing circumstances not likely to succeed. In the first place no honest assurance of profit to the investor could be made, and people would not put money into an enterprise for purely patriotic reasons. The organization of such a company would arouse the jealousy of Hamburg merchants who might retaliate by ceasing to favor Saxon manufactures. It would be necessary to maintain a factory or depot in America, as well as agents, at considerable expense. For these and other reasons, it was better to continue to sell through Hamburg and other Continental ports, taking care to furnish goods at a rate that would compete favorably with those of other countries.³³

As might be expected, the most interesting parts of the reports of this foreigner visiting our country in the first years of its national existence, do not relate directly to his mission. Thieriot was a keen and intelligent observer. He saw not only the interesting play of men and events from day to day but he saw the meaning of things, and became in the end a warm admirer of American institutions. Thus, for example, he shows the liveliest disapproval at first of a judicial system that declines to keep the accused in prison if bail is furnished. Six months later, however, he gives a most favorable account of the grand and petit jury and of ordinary procedure in the administration of American justice. It makes no use, he reports, of chains, of public exposure, or of torture. It actually allows the accused to choose his own judges, and if he is poor it provides him with counsel. There is a democratic freedom in the sessions of the courts that is astounding to the European. A Frenchman, he thinks, would be greatly amused by the plain clothes of the court—"simple quelque fois même très négligée"—and at the free going and coming in the court-room.

The rapidly increasing emigration from Europe and the system of indenture is discussed with much freedom and a clear sense of its significance. By this system the emigrant, although penniless when he arrives, instead of becoming a charge on the state, is provided for till he becomes acquainted with his new surroundings. Thieriot's comments on the political situation do not concern us here.

³³ "Il est cependant possible que sans le secours d'une compagnie les fabriques de la Saxe pourrout également prospérer, puisque si elles peuvent soutenir par leur bas prix et la bonne qualité la concurrence, elles auront suffisamment d'occupations par les ordres qu'elles recevront des ports d'Europe. Il semble que l'établissement d'une compagnie ne soit nécessaire que dans l'apprehension que les fabriques manquaissent de travail par la suite. Mais encore elles ne manqueront pas d'occupations si elles peuvent établir les articles à bon marché, et si elles en manquoient par ce qu'elles ne pourroient plus les établir qu'à haut prix, l'établissement d'une compagnie seroit alors tout a fait inutile." Kgl. Sächs. H. S. A., Loc. 2610, vol. II., f. 39.

More immediately associated with the carrying out of his mission are the social customs in vogue in Philadelphia. His position, as well as letters from Franklin and Carmichael, admit him to the best society, and there is much entertaining. But contrary to the custom in Europe, "il n'y a ici ni promenade, ni spectacle, l'on ne peut se voir qu'à table, et ce sont des séances de 4 à 5 heures".³⁴ In order properly to participate in this a residence or establishment is necessary. But that is very expensive, even under the strictest economy, and discouraged, he sees, "avec douleur, que par les circonstances je ne suis pas dans le cas de remplir ma mission dans aucun des deux objets de commerce et de politique".

Into his interviews with Morris and his trip to New York, Albany, and Boston, space does not permit us to go. On September 9, 1784, he reported in cipher that his mission was not progressing, that the Americans were not eager to get a treaty with his Highness and that he thought Saxony was showing them more honor than they deserved. "They do not show the same towards us." Hence too, he is "very careful always, in no wise to compromise the dignity of the Elector".³⁵ In January, 1785, after having repeatedly asked to be relieved of a mission which he had given up all hope of carrying to a successful issue, he announced his intention of sailing by the "pacquet boat" which was to sail on the 15th or the 20th instant for Bordeaux.³⁶ A few later letters are from Bordeaux but they are of little interest, and the mission may be regarded as ended.

For the next fifteen years the relations between Saxony and America are not very active. Diplomatically they appear to have ceased entirely. Commercially, however, the intercourse and interest were kept up, and that to a much greater degree than one would expect in view of the great wars of the period. The story of these relations, in which very interesting side-lights are often thrown on the conditions of the time, is found mainly in the excellent *Mess-Relationes*, or official reports of the Leipzig fairs.³⁷ Thus for 1791,

³⁴ Kgl. Sächs. H. S. A., Loc. 2610, vol. II., f. 52.

³⁵ *Ibid.*, f. 94. He adds further that he lets it be known that he came in the interests of Saxon commerce and in the enjoyment of the full approval of his court. The only attempt to open the political treaty he made during his two days' stay with Livingston.

³⁶ *Ibid.* Letter of January 14, 1785. In the latter part of Loc. 2610, vol. II., the paging is discontinued.

³⁷ These official reports to the government were made for the Easter and Michaelmas fairs on the part of the Landes- Oekonomie- Manufactur- und Commerzien-Deputation. This body, which was first established in 1729, consisted after its reorganization in 1764 of a director, a vice-director, 12 assessors taken from the other departments of the government, 3 secretaries, 3 copyists, and a beadle. It had charge of all matters relating to industry and trade, and proved a remark-

we find reference to a considerable trade in Saxon linens *via* Hamburg to England, whence they were sent to America. The United States, so the commission goes on to say, was again supplying practically all its manufactured necessities from England. But the demand was so great that German wares were needed to supplement the English. These were shipped either direct or by way of England. For example, a Budissin woolen manufacturer at the Easter fair in 1796 reported an order of 300 dozen pairs of stockings from Bremen for America. Hamburg too, says this report, was buying unusual quantities of cotton goods for America and Spain. At the same time it draws attention to the fact that the war was deflecting trade into new channels. "Der Caffee z. b. werde am häufigsten über Philadelphia, Charlestown, Halifax, und New York bezogen."³⁸ Experienced merchants maintain that of all the enormous amount—between 35 and 36 million pounds—of coffee imported in the previous year, at least one-half came from American ports. Most maritime countries of Europe were at war, which threw commerce to the neutral flag, and American shipping made extraordinary progress. Added to this growth in the commerce of the United States was a corresponding increase and development of her agriculture and population, so that the American market steadily became of increasing importance to Europeans.

The effect of this was, as we have noted, to establish trade relations with Germany, notably with Hamburg and Bremen, which in turn had a very important bearing upon Saxon industries.³⁹ Both at the Easter and at the Michaelmas fair in 1797, Budissin again reports "grosse Bestellungen aus Bremen zu weiter Versendung in die Nord-Amerikanischen Freystaaten". American hides at Leipzig were so plentiful that the price had gone down greatly. Manufacturers of Upper Lusatia had had continued and increasing demands through Hamburg for white and colored cotton goods, but on account

ably efficient body. It was located at Dresden but for the Easter and Michaelmas fairs the director and one or two members, together with the necessary staff, usually spent three weeks at Leipzig, making searching and often detailed reports to the government on the state of trade and industry. These are particularly good for the period from 1780 to 1800. They are found in Kgl. Sächs. H. S. A., Loc. 2235, "Acta, Der Landes- Oeconomie- Manufactur- und Commerciens-Deputation, Mess-Relationes". For the years 1729-1787, vols. I. to IV.; for the years 1788-1799, Loc. 2236, etc.

³⁸ *Ibid.*, Loc. 2420, ff. 100-105. The parts of the reports dealing with this subject for 1791-1801 have been transcribed from the complete reports and brought together here.

³⁹ For the relations between Hamburg and the United States there are the excellent studies by E. Baasch, *Beiträge zur Geschichte der Handelsbeziehungen zwischen Hamburg und Amerika* (Hamburg, 1892).

of the disturbance caused by the French to shipping for North America, much of this had stopped. The woollen-stocking trade through Bremen had likewise ceased for the time. A temporary revival in the cottons of the Upper Elbe early in 1798 after the stagnation of the previous summer was of short duration. Before the next mart conditions again changed. The report for the Easter mart of 1798 declares that the renewed demand of last year by Hamburg and Bremen for Saxon cottons had suddenly ceased; even the shipments that had been forwarded were still lying at these places owing to the dangers to commerce because of the war. The insurance on goods for North America on neutral ships rose to 12 and 15 per cent. For the same cause there was a dearth of American hides in the Saxon markets. Still the report of the Michaelmas fair, following, is to the effect that the demand for the cotton manufactures of Upper Lusatia for America was increasing in spite of the high rate of insurance on ocean transport. In 1799 the orders for woollen stockings and for white and colored cottons again came in, and the prospects for the future seemed excellent, the trade with North America bidding fair to offset the loss of the Spanish, Italian, and Dutch markets. The following year, 1800, the orders for white and colored cottons, which were now for South America also, and came not only from Hamburg and Bremen, but likewise from England, were so large that they could not be filled.

Unfortunately, however, the extended credit granted by the sea-port merchants had caused them heavy losses and in many cases bankruptcy, which in turn was threatening Saxon manufacturers, who had borrowed heavily from the Leipzig bankers in order to support the system of selling on extended credit. The speculation in colonial products, the high prices of sugar, coffee, and tobacco, which were exchanged in America for Saxon goods, are discussed in the official reports, and the hope is expressed that the failures in Baltimore and Charleston may not react too seriously on the European situation. As a result of these, the report of the Michaelmas mart for 1800 says that since the second half of 1799 orders for the American trade had practically ceased to come in. Besides it would take some time to restore the confidence of Bremen and Hamburg houses doing business with North America. Nevertheless even under these conditions some orders from Bremen continued to come in. But the Saxon manufacturers were unwilling to risk their goods on the old conditions, demanding full security or guarantees for payment. The same condition prevailed with respect to trade by way of England. Nor did the next year bring any relief. The

report for the Easter mart of 1801 adds further, that because of the heavy shipments of Silesian and Saxon cottons the market in the American trading ports had been glutted (*überführt*) and prices very much depressed.

The result of these conditions was naturally very serious in the manufacturing regions of Saxony. Much complaint was heard against a system which made the domestic industries dependent upon the middlemen of the German seaports and of England. Indeed it was largely because of the losses suffered in this way, that the demand for the establishment of a direct trade with America again arose. To obtain this much-desired result the manufacturers and merchants who took up the matter urged, first, the formation of a trading company, and second, the appointment of a Saxon chargé d'affaires in the United States. The first vigorous movement in this direction occurred in 1801 and it came as a direct result of the economic conditions described above.⁴⁰

Thus we find the Department of Foreign Affairs occupied in May of that year with an important petition from the manufacturers of Dresden and Upper Lusatia which asks that a resident consul be appointed to the United States, in order to promote the interests of home manufacture and trade with that country. The petitioners state that upon "the opening of the French wars the export of Saxon cotton goods to Spain and Italy became impossible, and that shipments to England were made with great difficulty"; that this "interruption in the regular trade worked greatly to the advantage of commerce with America", and that through the large trade in colonial wares from the West Indies and South America by way of the United States considerable profits were to be made by the sale of Saxon manufactures in the western hemisphere. Unfortunately, however, the Saxon manufacturer was dependent on Hamburg and Bremen and on the representations of young and often inexperienced men from these cities who had gone to America. He was unable to decide as to the reliability of American merchants, and since these traded only on extended credit, heavy losses had been incurred. All this the petitioners assert would be overcome by the appointment of a competent commercial agent.⁴¹

The question was again investigated with great care. A survey of previous action on the subject of Saxon-American relations was prepared, and the Commerce Commission and the merchants of

⁴⁰ Kgl. Sächs. H. S. A., Loc. 2420, f. 10ff.

⁴¹ *Ibid.*, Loc. 2610, toward the end of the volume. The petition was presented on May 8, 1801, and bears the signature of representative business houses of Budissin, Lobau, Herrnhut, Zittau, and Dresden.

Leipzig and Zittau were asked for their opinion.⁴² They reported favorably, while from Hamburg came a statement of trade possibilities by a former Saxon subject who had resided for five years in America, that gave the government much favorable material for thought.⁴³ He discussed the precise nature of Saxon trade interests in America and argued that the prospects for the future were excellent, since the United States must, from the very nature of things, remain for a long time dependent on Europe for her manufactures. Full reports on the whole subject were submitted in the spring of 1803, but because of the renewal of the wars and for other and more domestic reasons, no action was taken.

During the domination of the Continent by Napoleon, the prospects for direct commercial relations with America were too remote to receive much thought in Saxony, even if nearer and more immediate interests had not absorbed the attention of government and people. As is well known, the ports of Hamburg and Bremen were early brought under the Continental system, colonial wares were debarred, and thereby not only a barrier put across Saxony's line of communication with the outside world, but the very importations which were the necessary complement for a profitable export of her own manufactures were denied her. Into the question of how far these measures were successful and what was their effect upon Saxony's development, we cannot enter here. It may be said, however, that both English and colonial goods continued to make their appearance in abundance at the Leipzig fairs during all of this period.⁴⁴

After the overthrow of Napoleon at the great battle of Leipzig, there was an outburst of Saxon industry and trade. But it was not of long duration. To the exhaustion of the long wars were added the severe and unwise restrictions upon the commerce and industry of Germany which followed the reorganization of Europe at the Congress of Vienna. Nor was this all. What was equally disastrous to the infant industries of Saxony was the blighting effect of the unequal competition with England. For, as is well known,

⁴² Kgl. Sächs. H. S. A., Loc. 2420, ff. 74-91.

⁴³ The letter is by Krumbhaar and is dated at Hamburg, May 13, 1801. He is, so it turns out later, an aspirant for the position of agent.

⁴⁴ Cf. on this subject, A. König, *Die Sächsische Baumwollenindustrie am Ende des vorigen Jahrhunderts und während der Kontinentalsperre* (Leipzig, 1899). Of interest is a report from Bourrienne to Napoleon in 1809 in which he gives a graphic account of the contraband trade in eastern Germany concluding with the opinion: "On peut regarder le commerce d'Angleterre avec l'Allemagne comme presque entièrement rétabli." Département des Affaires Étrangères, Correspondance Politique, Hamburg, vol. 120, f. 276.

England had gone very much farther in her industrial development than the Continent, where the disturbing influences of the wars had retarded and in places entirely stopped an industrial revolution only just beginning when the French Revolution broke out. Thus we find that a few years after 1815 English goods began to appear again in such quantities at the Leipzig fairs that the Saxon manufacturers were threatened with ruin. As early as 1817, for example, the English agent Morier writes to Castlereagh from Dresden:

I have the satisfaction to inform your Lordship that the last Michaelmas Fair was much more favorable to British manufacturers. . . . Not only were there larger quantities of Manchester cottons and merchandise sold, but the prices were five per cent. better than before. And I am happy to add that notwithstanding this advance in the prices in our manufactures, they still undersold those of this country.⁴⁵

Here we have the key to much of the industrial struggle of Saxony as of other Continental states in the next two decades. The industrial crisis begun at this time lasted for many years. Capital was obliged to find new and more profitable fields of investment, while many of the old lines were abandoned or allowed to lie dormant for the time being.⁴⁶

As is usual under such conditions all sorts of expedients to obtain relief were tried. Among these, the development of new markets for Saxon goods, particularly in America, is again conspicuous. The first region where it took definite shape was on the Upper Elbe, not at Leipzig, because it was industry rather than trade that first felt the effect of English competition. In September, 1822, one Hoyer, of Neustadt bei Stolpen, wrote to a number of representative merchants at Dresden and other places, urging their co-operation in the formation of a "West-Indische Elb Seehandlungs Compagnie".⁴⁷ A petition to the government asking support for the project was drawn up. The object, it was urged, was to further the sale of home products and manufacture. His Majesty was humbly asked to subscribe for the stock of the company just as he had already done in connection with the Rhine West Indies Company of

⁴⁵ Public Record Office, B. T. 122, In Letters, no. 7.

⁴⁶ As an example of the new industries which sprang up or underwent a particularly rapid development at this time, the manufacture of artificial flowers may be cited. The small profits and the miserably small wages drove many of the cotton weavers into the new field. Cf. Alfred Meiche, *Die Anfänge der Kunstblumen Industrie in Dresden, Leipzig, Berlin, und Sebnitz* (Dresden, 1908).

⁴⁷ Through the courtesy of Herr Heinrich Colberla, I was able to find one of these original letters of Hoyer's in the Familien Acten of the well-known Colberla family of Dresden. Along with the letter is a draft of the petition which it is proposed to submit to the government in behalf of the project.

Elberfeld. But the Commerz-Deputation advised against active participation in an enterprise the success of which was as yet so problematical. Nevertheless the project continued to develop. New and important interests took it up. In a petition to the government in June, 1824, the names of wealthy Leipzig and Dresden business firms appear. The government is appealed to anew to interest itself in an active way by the purchase of stock. The irksome restrictions on commerce, the industrial depression, and the disadvantage of allowing the "Hamburgers, Altoners", etc., to monopolize Saxon trade, are all cogently urged in favor of the new company. Attention is drawn to similar companies in the Netherlands and England, and to the Rhine West Indies Company of Elberfeld. The necessity of united effort and combination for this distant trade which involved too many risks for private capital is also emphasized.⁴⁸

The preliminary steps toward organization which had already progressed considerably were now undertaken with vigor, and with a decidedly new bent. The name of the proposed company, for example, was changed from that of "Elb-West Indische Handlungs Compagnie" to that of "Elb-Amerikanische Compagnie", and the seat of government was to be, not on the Elbe, but at Leipzig. According to the by-laws presented for the approval of the government, the company was to be a joint-stock concern with a capital stock of 500,000 thalers, divided into 100 shares of 500 thalers each. Its object was the promotion of oversea trade in Saxon manufactures and other products—"den überseeischen Betrieb vaterländischer Fabrikate und Producte zu befördern". The management of the company's affairs was entrusted to a board of five directors, who must themselves be merchants and shareholders, and reside at Leipzig. The proposed statutes, twenty-seven in all, were with one exception approved by the government in July, 1825; and a well-organized corporate body for trade between Saxony and America was therefore ready to begin its activities by mid-summer of that year.⁴⁹

The printed report of the first year's business, which is referred to in one of the documents, I was unable to find. There is, however, a statement by the government's official agent which gives the essential facts. He reports that in general the sale of the goods sent to America had been successfully accomplished but that the depression

⁴⁸ Kgl. Sächs. H. S. A., Loc. 2503. "Acta, die Elb-Amerikanische Compagnie betrf." Petition of June 16, 1824. The folios in this volume are not numbered and the references are therefore indicated by the date of the document.

⁴⁹ Two copies of the statutes and government documents in regard to their confirmation are found under date of July and August, 1825. *Ibid.*

in the commercial world was affecting the company adversely; that as a result only 564 of the 1000 shares of stock had been sold; that the directors were following a conservative policy; and that they besought the government to buy more stock, not only because of the financial assistance this would bring to the company, but also for the good effect this would have on its credit. Memorials from different groups of manufacturers setting forth the value of the company to Saxon industry accompany the petition. It was also suggested that with the development of the business of the company the government might see fit to enter into diplomatic negotiations with the United States with a view to obtaining a reduction of the duties on Saxon goods. Both proposals were recommended favorably and the government subscribed for five more shares of the stock.⁵⁰

But the times were against the success of the enterprise. The business depression, of which pitiful petitions from the industrial sections give ample evidence at this time, was great.⁵¹ In their report to the government in October, 1827, the directors again dwelt upon the hard times everywhere prevalent, and on the new and increasingly severe customs regulations on the Continent, particularly in Germany, which affected very unfavorably the prosperity of Saxon manufactures and their sale abroad. It was becoming well-nigh impossible for even the largest manufacturers to sell goods on their own account in America. On the other hand, dealing through the commission houses of the seaports was equally unsatisfactory, goods being often returned. Hence the great need of the Elb-American Company. It had accomplished a good deal during the three years of its existence, despite the fact that only 663 shares of the capital stock had been sold. The total of its business amounted to 794,000 thalers, accounted for mostly in Saxon wares—cottons, linens, wool, iron, and brass—sold in America.⁵²

⁵⁰ *Ibid.* "Communication an das Geheime Finanz Collegium", August 5, 1826.

⁵¹ On October 18, 1827, twenty-one of the manufacturers at Bautzen declare, "Die alljährlich sich mehrende und an Strenge zunehmende Zolleinrichtungen im Innern von Deutschland hemmen allenthalben den freien Verkehr." They go to the Leipzig fair but make little more than expenses. "Mit blutenden Herzen sind wir zu unsern Familien und Arbeitern zurückgekehrt. Sie verlangen Arbeit und Unterhalt und wir finden nicht mehr die Mittel diese zu gewähren", etc. Interesting too is the fact that, as in 1778, so now, the hope of relief through American markets finds expression. *Ibid.*, October, 1827.

⁵² These figures fall somewhat short of the detailed statement of the directors submitted to the government on February 27, 1828, in response to a demand by the Commerz-Deputation. According to this, the year 1826 had brought a loss to the company of 62,000 thalers, while 1827 showed a profit of from 15 per cent. to 20 per cent., some of which had been already realized. To the report is appended the usual petition for royal support. Would his majesty not subscribe for the 337 shares of stock still unsold? *Ibid.*, February 8, 1828.

The government was apparently greatly impressed with the claims made for the company. From an order to the finance committee it appears that another hundred shares of the stock was ordered to be purchased on its account. But before these were transferred, news of difficulty within the company reached the government. On investigation it was found that the treasurer had muddled the accounts, and that the affairs of the company were in bad shape.⁵³ At a general meeting on June 12, 1828, the company found itself obliged, in accordance with its own statutes, to go into liquidation. Some of the shareholders petitioned the directors to continue the business on their private account, while the Rhine West Indies Company offered to take over the business and open an office at Leipzig. But the insignificant further developments need not concern us here.

More important is the other outcome of Saxony's interest in America at this time. During the years of the activity of the Elb-American Company the movement for the establishment of Saxon consuls in the leading American ports was successfully carried out through the mediation of Alexander H. Everett, the American minister at Madrid. In February, 1825, the Saxon ambassador to Spain wrote that the Netherlands were appointing consuls "to all ports in America".⁵⁴ Saxony too should be represented, and he urged the government to consider the matter. This it did in the course of the next year, deciding to appoint consuls in three American cities. Mr. Everett was entrusted with the task of finding persons suitable for the positions.⁵⁵ On June 19, 1826, he wrote: "Agreeably to the request of M. de Könneritz, I wrote to Mr. Charles Augustus Davis, senior partner of the house of Davis and Brooks of New York, proposing to him to be considered as a candidate for the place of Saxon consul at that port." Mr. Davis accepted, and at the same time recommended Robert Ralston for the post in Philadelphia. Richard H. Douglas was named for the post in Baltimore.

Before the appointments could be made, August Mensch, a merchant who was closely in touch with Saxon commercial interests in America, and who had personally contributed greatly toward the appointment of an American consul, Mr. Göhering, at Leipzig, a short time before, was put forward as a candidate for the consulship at New York.⁵⁶ Mensch was warmly supported by the Saxon

⁵³ Cf. the report by Sohn of May 2, 1828, to the Secretary of State.

⁵⁴ Kgl. Sächs. H. S. A., Loc. 31719, "Acta, Die Anstellung und Beglaubigung des Königl. Konsuls in New York betr."

⁵⁵ *Ibid.* Letter of Mr. Everett from Madrid, June 19, 1826.

⁵⁶ *Ibid.* Entry of August 2, 1826.

merchants and received the appointment.⁵⁷ But the government had acted without due appreciation of the situation at Madrid, Mr. Everett having already obtained the consent of Mr. Davis to accept the post at New York.⁵⁸ To rid itself of a somewhat embarrassing situation the government decided to appoint a "Consul general of Saxony to the United States", and for this post Mr. Davis was duly nominated.⁵⁹ The instructions to the newly appointed consuls show how thoroughly the government of Saxony had been awakened to the possibilities of trade with America. The credentials were duly presented at Washington and made public through the usual channel by the Department of State. Mr. Davis's letter of acceptance and oath were sent to Count von Einsiedeln on September 20, 1827. This, together with the failure of the Elb-American Company in 1828, marks the conclusion of a movement which extended, as we have seen, over half a century.

WILLIAM E. LINGELBACH.

⁵⁷ Cf. "We, Frederick August, by the Grace of God, King of Saxony—hereby make known and declare, Since we have considered it advantageous for the promotion of the commerce and intercourse of our lands with that of the United States to erect consulships in New York, Philadelphia and Baltimore, we have appointed for that purpose the merchant, August Mensch, Robert Ralston, Richard Henry Douglas, Esq." *Ibid.* Patent by Graf von Einsiedeln.

⁵⁸ *Ibid.* Letter from Mr. Everett of February 20, 1827.

⁵⁹ *Ibid.* Patent of March 28, 1827. The position was later, in July, 1833, abolished.